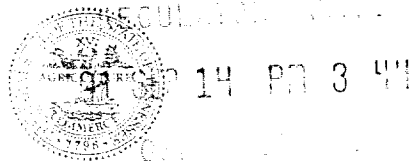


STATE OF TENNESSEE

Office of the Attorney General



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Reply to:
Consumer Advocate and Protection Division
Post Office Box 20207
Nashville, TN 37202-0207
facsimile: (615) 532-2910

September 14, 2001

via Hand-Delivery

K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: Attorney General's Petition to Intervene
Docket No. 01-00761

Dear Mr. Waddell:

Enclosed for filing, please find the original and thirteen (13) copies of the above referenced Petition to Intervene filed on behalf of The Tennessee Attorney General.

Thank you for your assistance with regard to this matter.

Sincerely,

Chris Allen
Assistant Attorney General

CA/lrp

enclosure

IN THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE: PETITION OF)	
CHATTANOOGA GAS COMPANY)	
FOR APPROVAL OF A TARIFF)	DOCKET NO. 01-00761
ESTABLISHING AN EXPERIMENTAL)	
FIXED RATE PURCHASE GAS)	
ADJUSTMENT RIDER)	

ATTORNEY GENERAL'S
PETITION TO INTERVENE

Comes Paul G. Summers, the Tennessee Attorney General, through the Consumer Advocate and Protection Division, (hereinafter "Attorney General") pursuant to Tenn. Code Ann. § 65-4-118(c)(2)(A), and petitions to intervene in this case in the public interest on behalf of consumers of Tennessee who will be affected by the proposal of an Experimental Fixed Rate Purchase Gas Adjustment Rider ("FRT") by Chattanooga Gas Company ("CGC"). For cause the Petitioner would show as follows:

1. The Attorney General is authorized by Tenn. Code Ann. § 65-4-118 (c)(2)(A) to initiate a contested case, and participate or intervene in proceedings to represent the public interest of Tennessee consumers in accordance with the Uniform Administrative Procedures Act (UAPA).
2. In the present docket, CGC seeks approval by the Tennessee Regulatory Authority ("TRA") of the FRT and in conjunction the ability to charge an insurance premium of

approximately twenty (20) percent in return for a fixed price that consumers will be charged for twelve (12) month periods over a three (3) year term.

3. The FRT represents a substantial departure from the traditional rate mechanism wherein consumers are only asked to pay rates based upon the actual cost of CGC.
4. The FRT over time will result in higher gas cost to consumers than the actual costs borne by CGC.
5. All of the savings under this proposal relative to the excess of the fixed rate over actual gas costs will be kept by Sequent Energy Management, L.P. the gas purchasing affiliate of CGC.
6. The Attorney General believes that the FRT is not in the best interest of ratepayers and therefore, CGC should continue the past practice of setting rates based upon it's actual costs effectively passing any savings through to the ratepayer.
7. Accordingly, the Attorney General requests to intervene in this case involving the approval of the FRT presently before the TRA.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul G. Summers", written over a horizontal line.

Paul G. Summers, 6285
Tennessee Attorney General



Chris Allen, 13696
Assistant Attorney General
Consumer Advocate and Protection Division
John Sevier Building, 3rd Floor
425 5th Avenue North
Nashville, Tennessee 37243-0500
(615)-532-2590

Certificate of Service

I hereby certify that a true and correct copy of the Petition to Intervene was served on parties below via U.S. Mail, postage prepaid, this September 14, 2001.

D. Billye Sanders, Esquire
Waller, Lansden, Dortch & Davis
511 Union Street, Suite 2100
P.O. Box 198966
Nashville, Tennessee 37219-8966

A handwritten signature in cursive script, appearing to read "Chris Allen", written in dark ink.

Chris Allen
Assistant Attorney General

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